1925 (

File No. 15-25

References (Geol)

92-24 (1-4)

Serial Nos. 1-19, 22-24, 24(a) #

73-23 (9, 14, 21-28)

rences.

7. 15-25 (25-26)

preserve

~~93-27~~

83-26-(1x12)

80-24-(8-13)

108

ENERAL AND REVENUE SECRETARIAT.

171.17(1-8)

---

os. 23 (Twenty three)

Part B for Mayrb

SUBJECT

Question of cancelling the license ~~lease~~ granted to Mr C.W. Schramberg

---

REPLY

To be written on this margin.

Memo no 7.8

Office of the Dewan of Mysore.

URGENT

NOTE

Dated 11th August *192* 5

The Revenue Secretary ma kindly write to the Director of Geology to ascertain what work Mr. Schomburg is doing in his Chrome blocks and if any Chrome has been exploited for shipment The Director's reply may be kindly sent to me for perusal

4/
11 8

To:-

The Revenue Secretary to Govt

with compliments

2)

3)

4)

XD750

REVU

Serial No

H of D

6) Submit with previous reports used from the Dir of Eccl

6) Attention is also invited to letter no 1173 dt 23-1-25, para 3 (Eccl. 92-24) wherein he states that our Schemburg has mailed 6 bottles of chrome & a cheque for Rs. 900/- as royalty payable has been sent

dg 13/8/25 15/8 Chk There is a later report Please bring up 13/8

2 Submitted Dir of Eccl

do C/257-1 dt 14/8/25

~~State~~ Particulars in formature as regards the quantity of Chrome ore extracted & that exported &c, Refer - Paras 1 & 7)

3) Subd. with the reply passed from the Dir of Eccl

dg 4/8/25 Hr. 9) The Diss letter in the Personal- The personal report of the Dn for the quarter ended March 1925 is flagged IT

Rec'd 14/8

Rev Dir 15/8

15/8 Mr

471/15-8

11) Despatched 15/8 15/8 15/8

12) Cancelled by reference note

13) Mr

Nore—Contn. Sheet

8-F 75 817

Serial No.

13) Filed under a direct D.O
20/8/25 14) Fa advt
Rev Sec
15) Issued D.O. dt. 20/8
Se 87-50

The Director of Geol. &
D.O. No. 1275 dt. 20/8
Mines. Reference to (2) Regret that
to forward all contract-papers
relating to the disposal of chrome
ore rights by Messrs Schomburg

16) The Dir's letter dated 26.8.'25, 4
submitting a report and forwarding the contract
papers relate to the chrome ore licence of
Mr Schomburg is herewith sub for perusal
& orders (Ref Devan's minute at Para 12
above)

17) Mr Schomburg has not yet furnished
regarding the price for which 6,000 tons were
sold to Messrs Tata Iron & Steel Co Ltd
about the price fixed for the 5000 tons of
ore; for the sale of which he has entered
into a forward contract with the Calcutta
firm.

Rev Sec
V/R Devan
27/8/25

18) I think the Dept
may call upon Mr Schomburg
not to remove the ore
under the licence

GEN. & REV. SECRETARIAT
26 AUG 1925
INDUSTRIES & COMMERCE BRANCH.

(Put up below)

NOTE—Contn. Sheet

Serial No

to cancellation
19) see note to Genl clause 4

20) Subd A Genl & Fin Mr 28/8 MLP 28/8 28/8

802/28-8

21) Do pm. Read the Decan & the notes on a Prospecting & Dev & Genl pm 28/8 MLP 29/8

22) Dead mute craft

23) Re-para 19 [Kind attention is to rules nos. 17, 20 & 27 of the Grant of mineral licence & cl. 15 (latter portion) of the P. L. form

There is not refer to the cancellation of a licence already granted

Supd correction made MLP 4/9

Flag A & B.

exp 3/9/25 24) Kind ref" is invited to the Prospecting licences Nos 632 & 633 issued in favour of M Schomburg. Under clause 6 he is bound to keep proper accounts and furnish the same to the Dir on requisition Under clause 7 he is bound to furnish any other additional information in respect of the area so far as it is available. Under clause 6 it has been specifically prescribed that the licensee shall maintain regular

NOTE—Contn. Sheet

Serial No

make it possible to
Correct accounts to ascertain the net profits
derived by him from the business - This is
an important provision in the license -
25) Cl 15 now runs as follows
or if there shall be any breach
by the licensee, of any provision in this license
contained, the license may be summarily revoked
by Govt and thereupon all rights conferred
hereby or enjoyed hereunder, shall cease.
26) As such the Dir should be able to obtain
the required information, by enforcing the license
conditions if necessary - Dft letter to Dir is
put up as ordered for consideration (Refs
Paras 18, 19 & 21)
27) (The contract papers of M/s Schembri & Co
for the Dir are placed below -)
Rec'd 5/9/25 MEP
28) I think a further reply has been received from
the Dir Please bring it
immediately 5-9-25
MEP 7/9/25
5 D.O from the Pol. T. Genl.
No. 257 of 4.9.25
forwards copy of the agree-
ment entered into with Messrs. Ojha
& Letters to the latter from
Messrs. Tata Sons & Chick
Co Ltd, & states that the
agreement entered into

Serial No

is not in conformity with the terms of the licence which requires previous sanction of Govt.

29) Kind attention is invited to para 17 of office note (Page 3)

30) In para 2 of Asst. Schomberg's letter to the Dist of Godh he states that 600 tons of ore have realised Rs. 94 33-11-3

31) Under rules 47 & 30 & cl. 14 of the P. C. the licensee cannot transfer or assign his rights to others without Govt. sanction & failure to comply with the rules renders the licence liable to cancellation (Rule 30, para 2).

32) For orders

7/9/25 (Rev Secy) 33) 7/9/25

34) Two important conditions of the licence 6 & 14 have been violated by the licensee. Mr. Schomberg the has not kept proper accounts as to the minimum quantity of ore extracted, expenditure incurred & profits realised, and

he has transferred an interest in the licence to Mr Dyer whom he calls his contractor without obtaining the previous permission of Govt.

35) In spite of the statements of Mr Schomberg

NOTE—Contn. Sheet

Serial No

that it was not his intention to prohibit the lease, the agreement entered into by him with Mr. Dyas, of which a copy is furnished amounts to a breach of the licence condition. And the licence is therefore liable to be cancelled under clause 15. This may be pointed out to Mr. Dyas and he may be given a final chance to furnish accurate & complete accounts for calculating the net profits & Royalty payable by him. If this is done, the question of ratifying the agreement entered into by him which may perhaps be considered later.

36) Mr. Dyas has not furnished information as to how far the proposed contract with the Calcutta firm for supply of 5000 tins has been executed.

By the 1247 tins already stocked and yet unaccounted for, 600 tins are stated to have been exported to Italy and Rs 9433.11.3 realised. There is no information as regards the disposal of the remaining 647 tins, as well as the quantity in the stocks of Spun Quality

(Mr. Nambi Dewan) k 9.9.25

278/109

37) Mr. Schomberg may be called upon to show cause why his licence

NOTE—Contn. Sheet

Serial No

Stores not to be cancelled for reduction of establishment as pointed out in the Meetings held above

38) yes 13/9 h

39) This matter fully settled Draft has been made reflecting her S to greet Queen Mother of Leeds

Supt 15/9 h

40) Please put up MM 15/9/25

41) Draft ready 15/9/25 42) Put up to Govt

Rev Secy MM 15/9/25

43) (Min. meeting) h 16/9

446 16/9 MM 16/9

h 16/9 Secy h 16/9 MM 18/9

6 To

The Director of Genl. Inspn. of Hospitals, Simla.

No. 7. 4884 of 14th Sept 1925

With Reference to correspondence ending with Secy's letter with certain observations that Lt. Col. Schomberg may be called upon

NOTE—Contn. Sheet

1302

(9

[App. F. III—2

ieral and Revenue Secretariat | Genl File No. 15 of 1925

Serial No	
	upon to show cause why his licences should not be cancelled for breach of the conditions of the prospecting licences granted to him

1302

Feb 15-25

(10

G. R. S. III—3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

45) Feb. 15-25 unable reply obtained from — head-Quarters & sent herewith

46) P. A. to the first number of cornets head about called for the papers for debut of the number

no
3-7-9/25

51/2.10

47) 18 Monday h 30/5/25

Subd
2/10

48) Please see my remarks on letter of 1/10/25 from Mr Schomberg h my address

dy
2/10

N. B.—Should routine notes be written on small slips the notes must be copied, or slips pasted on this form

(11

General and Revenue Secretariat | Geol File No. 1789 16 | [App. F. III—2 of 1926

Serial No

7

From mr A W Schomburgk
Letter dt 1.10.25
states that the agreement
with mr. Dyas has been renewed
on 18.9.25 and prays for reasons
explained the grant of a mining
lease for 10 years for chrome
over the blocks now held
under P L

49) Papers re Coal Mining at
Kumaravandram are not
available in the S to C for
Re. chrome:-

50) mr. Schomburgk states that
he has entered into a new agree-
ment with mr. Dyas on 18.9.25
(Copy of which is not sent),
that he (mr. Dyas) cannot
claim any right or interest
in the Prospecting licenses
granted to him (mr. Schomburgk),
and requests for reasons explain
in his letter (paras 10, 11 & 12), the
grant of mining leases for 10 years
He also brings to the notice of
Govt in his note dt 1.10.25 that
the complaint by the present
licensees in the matter of share
profits insisted upon by Govt
is unfounded and requires

Page 3 (Para's of p.w.d)

p.w.d

and to p.w.d

Note—Contn. Sheet

1789

(12

Serial No

careful consideration.

51) The report called for in this office letter no. G. C. 1986 dt 21 9·25 as regards the cancellation of license has not been received from the Dir. of Geol.

52) Subd. for orders with prefces. as called for by the* member

(Initialled) 4/10/25

This may be noted on & subd very early with the file relating to the case.

(Sd) K.R.S. 2·10·25.

53) Mr. Schomberg admits that the affairs were mismanaged that Mr Oyas method of work was not conducive to the interests of prt. & that the accounts are still under preparation.

2) The copy of the new agreement with Mr Oyas has not been received. Mr. S. may be asked to send it, and render correct accounts without delay.

5) It would be desirable to call for a detailed report on the several points raised in Mr. S's letter & enclosure.

opinion of the ... Bor (dagio) is necessary. ... this be sent ... Bor.

For instructions

(Initialled) 7·10·25

Member

(Initialled) 4·10·25

ND. Please bring up the file at Bangalore on the 9th, WP 9/10

56) Mr Schomberg's contention is that the agreement entered into by him with Mr Oyas does not amount to a partnership, so Subbarao requires sanction of govt. ... there has been no breach of the license conditions of theirs in this respect. I should like to ... & ... note on this point ...

WP 6/10/25

57) ... NB

Serial No	
Please see Enclosure to Leg X	58) Mr Schemberg entered into an agreement with Mr Dyar, on 12.8.24. The Dir has forwarded copy of that agreement with his DO 4th Sept 1925. In this agreement Mr Dyar is styled as 'Contractor' and Mr Schemberg as the 'proprietor'. But the document seems to be in the nature of a sublease in certain important respects. For instance under that agreement Mr Dyar was to be in sole possession of the area to be worked and to bear all the working expenses, pays the Proprietor, Mr Schemberg, at a specified rate (Rs 10/ per ton) out of the sale proceeds. Royalty was to be paid by Mr Schemberg or Mr Dyar or by both in shares according to the grade of ore won by the latter. This arrangement was liable to modification by Arbitration in case there was a slump in the market for Chrome
	59) In this connection Kind ref is invited to Rule 30 of the Prospecting License Rules & the enclosed clause – Clause 14 – of the Prospecting license form, which runs "The prospecting license shall not be assigned nor any right or interest thereunder, transferred without the consent in writing, of the Govt. It will be seen that the prohibition extends to cases of transfer, of any rights or interests under the prospecting license –, besides to cases of

full assignment. As such, the agreement of 12.8.24. seem to be agt the provisn in Rule 30 The L.L. Secy may perhaps be consulted on the point.

(6d) It may however be mentioned that this agreement has been cancelled by Mr Schomberg & a new agreement entered into by him, with Mr Dyas on 18.9.'25. Please See portion marked A) in Para 3 of Mr Schomberg's letter d. 1st Oct 1925. As Mr Schomberg has not sent a copy of this subsequent agreement with his letter it is not possible to state whether that agreement also offends agt the provisn in Rule 30 or is only a contract agreement

(6e) Submitted for perusal & orders.

R Secy

MP 12/10/25

(6f) Kind attention invited to the terms of the agreement. Flag J

To a lay mind it is quite clear that the agreement purports to transfer an interest in the lease, the 'contractor & 'Proprietor' sharing profits with respect to any less than 40 p.c. vide clause 7 According to the agreement the contractor shall be in possession of 'the area' he shall pay all working expenses in connection with the working of the claims, pay Govt. half the royalty upon royalty in respect of any 4 8½ p.c & 49 p.c ores respectively and the claims shall be held by the contractor conjointly in his own name. The real character of the agreement is a Tribute, not as a sub-lease effected

Serial No

5 the claim that the Prospector shall pay 25pc 5 the profits. What? In in some respects Mr. Dyas is held responsible to comply with conditions 5 the Prospecting licence granted to the Prospector, and there a distinct claim in the agreement that before 5 there shd share the sub-profits in certain proportions. The L. A. may perhaps be entitled to solve the problem

(1st member)

63) The conduct 5 the parties to the agreement can only have some bearing on its character.

The asst: prof: Mr. Venkatramayya was deputed to examine the accounts 5 the licensee Prospector. In reply to his enquiry when furnished with accounts for examination Mr Schomberg referred him to Mr Dyas. And as the result 5 the enquiry the asst professor noted as follows

"He (Mr. Dyas) appears to be carrying on the whole show, mining and selling the ore

64) Vide Report 5 6th March 1925. —

The Director asked Mr. Schomberg to explain the position 5 Mr. Dyas in the concern in letter 5 23rd March 1925 and in spite 5 several reminders no reply was sent till 22nd June 1925 5 the licensee. The explanation that Mr D is but a mere contractor under the Prospector is apparently a mere after thought

(1st member)

12.6.25

12/6

221/12.9

NOTE—Contd. Sheet

17:1

(16)

[App. F. III—2

General and Revenue Secretariat

Gfol File No. 15 of 1925

Serial No

68) As proposed Gfol Revenue in October may be consulted whether opinion of Govt or whether the terms of the agreement entered into by Mr Schomberg amount to a violation of the conditions of the license

68) (Case should be treated as urgent very much overdue with L. L dept opinion Very Long)

(J) Co

To L. L dept with compliments

67) the forms of opinion

13.10.25

13/10

68) I have perused the copy of the agreement (Flag J) & find that the terms thereof amount to the creation of a right or interest in the mineral to be extracted in pursuance of the concession granted under the license. In fact the so-called contractor has constituted himself a working partner who has to find capital to work the concession & share in the profits. He has a right to dispose of the ore & realise the proceeds, i.e. he has become the co-owner of the chrome mined at his expense & so such the licensee has transferred his interest in the license within the meaning of cl 14 of the license without the sanction of Govt.

Revised with Comp 15

14.10.25

14.10.25

14/10

1st Numbering

276 15.10.25

Before passing any further orders in this case I should like to hear Mr. Schomberg first and also

NOTE—Contn. Sheet

Serial No

[illegible]

70) [illegible] 17/10

71) [illegible]

19/10/25

72) [illegible]

363/19.10 73) [illegible]

21/10

74) Issue

22.10.25

8 To

C. W. Schomberg Esq

[illegible] 22.10

[illegible] I Member [illegible]

245

ental and Revenue Secretariat — Red File No. 15 — of 1925

Serial No	
6	Issue red Schedules Letter dt 23/10/25 States with refce to Sl. 8 that he would be glad to have answer with the Number on 7/11/25 says note :- 75) First Number. (sd) B.S. 24/10/25
	76) Subd with refce 24/10/25 77) sends the first Number (vide on Sl 9)
	78) The Dist Magte sending his office file with letter No. C/257-3 dt 26.8.25 requested its return & again in his letter of dt 28 (para 3) he has urged the point.
	79) The report called for in letter No. C 1984 dt 21.9.25 cannot be delayed for want of this file on the subject As it contains no refce about the execution of the agreement the same may not be of much use in the C R S now & may be returned 80) Subd with draft for appl 26/10/25 81) The file may perhaps be

NOTE—Contn. Sheet

2145 2259 (19

General and Revenue Secretariat | Ext(File No. 157 Mus [App. F. III—2 of 192 5.

Serial No

A

required for refce by the Dir on 7.11.25 at Mr Schomberg's interview with him It may be returned to the Dir after the interview is over. If the Dir was delaying his report to this office refce of the 21st Sept. (F(ag/W) because he had not this file with him, he could have said so & requested for the return of the file.

RSec 7 82) Yes 26/10

26/10

WD 27/10

1,11 25 1.11.25

10 From the Dir. of Ext No. C/251-10 dt 28/10/25

Forwards copies of correspondence between himself & Mr. C. H. Schomberg & states that he cannot form any opinion in the absence of the agreement between Mr. Schomberg & Mr. Ogas.

83) 30/10/25 (84) The Dir requests that his office file may be returned to him for refce.

RSec 7 81. members 85) Vide A supra. WD 30/10.

665 30.10.25

86) Nothing to submit as to the form of interview with Mr Schomberg. 30/10

87) Under the circumstances may we also enquire if he requires the papers as to form

WD 31/10

Note—Contn. Sheet

2361 2257

General and Revenue Secretariat

Rev File No 15

[App. F. III—2

of 1925

Serial No	
	88) Draft D O Sd 31/10/25 Sd 89) Issue 31/10/25
11	To The Director of Govt Stn Nerl. 29 4 5 Bglre Requests him to be present on Saturday the 7th Nov 1925 at 12 noon in the Chamber of the Member of Council in connection with the Question of the Schamburg's agreement with the Govt
12	From Asst. S. M. Fern D. O. No C/251-12 dt 2-11-25 Requests the return of papers called for in 81. A for retransmission
	Sec's note 90) 1) Today. 2) Please explain delay (Sd) B. S. 4/11
	Asst Sec's note. 91) Please put up the file above (Sd) . V. V. 4/11/25.
	92) Submd with papers Sd 4/11/25 Rev Sec'y 4/11/25
	5/11/25 93) Asst. Sec. File sent with a D.O. letter. Asst Sec'y 4.11.25.

NOTE—Contn. Sheet

Serial No

94) The date fixed for Asst. Schomberg's interview with the Governor is 7.11.25 (Para 69 of Replies in p. 17)

Asked 6/11/25 — 95) Sub^d — The Dir will bring the other connected papers with him, for Joint M^r) the interview — 7/11/25

154/6.11

96) Dir Schomberg having called ~~me today~~ I have discussed the case with him — the Mr Dir & Secretary + Mr Jan. Veerst also present at his interview

97) On M Schomberg having read the legal opinion and the agreement between ~~E of E~~ and Khan with Mr Desai & on the nature of a partnership deed or sub lease, she is not permissible under the Rules. He ~~has~~ has agreed to have it cancelled & to submit a report to that effect in a few days

98) With regard to the submission of accounts in respect of the block M Schomberg ~~explained~~ requested that he may be given time till the ~~end~~ first week of Jan^y & submit them, as the accounts department & Mr Desai who worked the block for him were quite unsatisfactory & he wished to get them audited properly before he submits them to Govt. The two proposals & submit a representation to Govt about the

99) The Comm^r promised Khan may be

NOTE—Contn. Sheet

Serial No	
	await and if no record to the End of the month he can pay a reminder for further case.
	Sd 9/11 9.11
	Govt Blat 30/11/25
	GEN. & REV. SECRETARIAT 10 NOV 1925 INDUSTRIES & COMMERCE BRANCH.
14	Letter dt 9.11.25 from Mr Schomburgk. Requests that a mining lease over the prospecting blocks for two years may be granted to him at and that he may guarantee between Rs. 7500 & Rs. 10,000/- besides the royalty @ Re. 1-8-0 per ton during the time of the lease.
	100) Member's minute This may be filed with the file relating to the case. Sd/ K.R.S. 10/11/25
	101) Immediate Sd/ B.S. 10/11/25
15	Letter dt 9.11.25 from Mr Schomburgk states that he is making arrangements to cancel the agreement with Mr. Dyas & that accts &c. will be sent in Jany. 1925.
	Member's minute 102) This may be placed on

NOTE—Contn. Sheet

2484
211

(23

Serial No

the file relating to the case and a draft order but not submitted

(SD) K.P.S.
10.11.25

(SD) B.S.
10/11/25

103) Submitted
20/11/25
Please comply
UOP 13/11

104) UOP 16/11

105) Saw the Im with the file & took his instructions.
UOP 19/11/25

106) Dft for addl Orders are also necessary on Mr Sel's letter dt. 9th Nov '25 (P.W.D)
R Sack)
UOP 19/11/25.

107) (1st. reminder)
548
21.11

h
20/11
UOP
21/11

h
21/11
h UOP
21/11

108) Issue
VB
23/11/25

16 To

The Director of Geol
Mem. No. 3538 of 23/11

his Reference 2nd 101 states that Mr Schomburgk may be called upon to cancel his agreement with the Govt. Instead of his having

Note—Contn. Sheet

2361/24 84/24 85/24 3268 (24

General and Revenue Secretariat

Ext File No. 15 of 1925

[App. F. III—2

Serial No

having done so may be ascertained & reported for the information of Govt before the 15th Dec 1925 & addressed Mr. Schomberg may be directed to submit his full & audited accounts by the 20th January 26.

Fwd B 15/12

GEN. & REV. SECRETARIAT 24 NOV 1925 17 INDUSTRIES & COMMERCE BRANCH

From Secretary C. W. Schomberg to the Director of Ext
Letter of 18.12.25

Forwards a copy of his letter of 5-12-25 to Secretary Govt in the matter of cancellation of the agreement with the latter

109) Kind attention is invited to the portion marked in red ink in para 97 of Rules (Page 21) and letter of 9.11.25 from Secretary Schomberg

2

110) He has forwarded a copy of his letter to the Director of Ext. for the information of Govt.

111) Orders with proper to the 1st Secretary's minute on the original letter

VS
22/12/25

NOTE—Contn. Sheet

5'108
3284

(25

App. F. III—2

General and Revenue Secretariat

Ecl File No. 15 of 1925

Serial No

18 From the offg Dir of Ecl
No. C/257-18 dt 22/12/25
forwards a copy of the Schemburg's letter regarding the cancellation of his agreement with us & asks us in connection with the working of Clearance blocks.

112) The Copy of the letter addressed to M/s A M Schemburg has been received & filed separately

113) Forwarded. Where is the main file

22/12/25 114) relating to this

23/12

115) Filed with the file on the subject

116) Kind attention is invited to the rules in P 24.

22/12/25 117) Mr Schemburg has cancelled the agreement with M/s Dyar-(Ref^e Para 97.)

118) His fur the communication in the first week of Jany regarding the submission of his accounts may be awaited

Rdw/119) Say so to the Director 26/12

26/12

120) Draft filed

28/12/25

28/12

File was lent to book for some time till it was returned

24/12

NOTE—Contn. Sheet

3258 3284 3837 (26

[App. F. III—2

eneral and Revenue Secretariat

Genl File No. 15 of 1925

Serial No 49

To

The Director of Genl
D.O. 4826-S/30/12
With Reference to the Statement of accounts of the Schomburgk Expedition to Kheris is awaited

Gen'l Branch 15/1/26

GEN. & REV. SECRETARIAT 22
2-JAN 1926
INDUSTRIES & COMMERCE BRANCH.

from the Dir. of Genl
No C/257-26 dt 26.1.26
Submits accounts of Prof. C.W Schomburgk

Refer Paragraph 8 of Notes in page 21

122) While forwarding the final accounts of Prof. Schomburgk the Dir. of Genl. in para 4 of his letter states that the heavy expenditure incurred by the Expedition was unavoidable and that the present accounts may be admitted as final (para 6), and that he has been requested to pay up the balance, viz Rs. 3961-2 at an early date (para 7)

123) For orders

20/1/26 The revised statement of Mr Schomburgk's accounts is for formal. As pointed out by the Dir, the establishment charges appear to be rather heavy

NOTE—Contn. Sheet

Serial No.

but may be accepted in the circ[s] explained - The portion marked A) in the statement of a/c[s] merely mentions three names and the expenditure incurred it is not stated why that expenditure was incurred -

Pr Secy

WT 28

124) There are a few points which require further examination -

126) In his letter of 1st Oct 1925 to the G.M. Mr. Schomberg admitted that in respect of the forward contracts entered into in April & May with a Calcutta firm for the supply of 5000 bags of ore, 1000 bags were ready for delivery but the contract fell thro for some reasons

127) After M Dyer exhausted said 1603 bags there was also the bags of his writing another lot of 400 bags -

128) The accounts now furnished from the disposal of only 243 bags to Messrs Oakley Bowden & Co, besides the supply of 1003 bags to the same firm & 600 bags to Dalal making up the above 1603 bags

129) What quantity of ore was/remains undisposed of & when the 2nd supply was made to Messrs Oakley & Co could be ascertained from the records

130) If approved a further report will be called for

Sd Member

28/1/26

29/1

802
29.1.26

NOTE—Contn. Sheet

General and Revenue Secretariat

Genl File No. 16 of 1925

Serial No

131) I think it unnecessary to go into details about the account

132) ~~[illegible]~~ We may accept the opinion of the Director that the account may be ~~[illegible]~~ as written ask him to report by the 15th Feb. the action taken for the recovery of the amount due from Mr Schomburgk in accordance with his (Director) Calculation

NQ 3/1 3/7

133) Draft sub 3-2-26 3/4

134) RSay NQ 4/2

135) Issue 4/2 NQ 4/2

136) To, Director of Geology No 5502 G. C/2/15

Calls for report before the 15th Feb. 26 of result of the action taken to recover the balance Rs 3961-2-10 due from Mr. Schomburgk

137) Wtle 16/2/26

GEN. & REV. SECRETARIAT 9 FEB 1926 INDUSTRIES & COMM. BRANCH

138) From the Dir of Geol No. C/251 31 & 19-2-26

states that out of the balance due by Mr Schomburgk a sum of Rs 2340/- has been credited to the Treasury & the balance will be paid about the end of the Current month.

General and Revenue Secretariat | Genl File No. 15 of 1925

Serial No

Refee — Para 132 of notes (Pages 28)
136) for perusal and orders
24/2/26
137) Sub[d] for perusal
RSW
24/2
Further report awaited
138)
24/2 WT 26/2

Rec'd Genl 15/3/26
GEN. & REV. SECTT.
26 FEB 1926
INDUSTRIAL & COMMERCE BRANCH

Sub[d] A reminder is sent up inquiring if
139) Mr. Schomburg has made full payment as
by him
16/3
140) Issue
16/3/26
Issued to Schomburg 17/3/26

Refee — Para 138 above
141) the Dir of Genl has not yet
communicated to Govt whether the
balance of amount due by Mr
Schomburg has been paid as promised
142) A reminder has also been issued
143) for orders.
18/3/26
144) For perusal-
RSW
WT
20/3
145) Please remind him dy
WT
22/3

Serial No 26

From the Dir of Eccl
No C/251-35 of 23.4.26
states that out of Rs. 3961-2-10 due
~~to~~ from ~~the~~ Schomberg, a sum
of Rs. 3960-2-10 has been recovered
~~has~~ & a rupee has also been
made for the balance of one
rupee

Refee :— Para 132 of Notes in page 28
(Member's minute)

44 upto 1Re

The full amount due by ~~the~~ Schomberg has been recovered
the papers will if agreed be
recorded for orders

10/5/26

10/5

10/5

GEN. & REV. SECRETARIAT
19 MAY 1926
INDUSTRIES & COMMERCE
DEPT.

D.O.No C/251-Iqbal

Ext 15-25-2

MYSORE GEOLOGICAL DEPARTMENT,

Bangalore 12th August 1925

Ans 1st Sept 25 3/8

Dear Sir,

MM 10/9

8817

CUSTRIC

In reply to your D.O.No.P.13 dated 11th August 25, I beg to invite your attention to this office letter No.1429 dated 14th March 25 giving particulars regarding the chrome ore extracted and exported. It will be seen therefrom that the total quantity of ore extracted from the mines come up 1247 tons of which 600 tons have been exported leaving a balance of 647 tons. The statements of ores for the quarters ending March an June 25, have not yet been received although Mr. Schomburg has been written to about it

Mr. Dyas, Contractor of Mr. Schomburg in his letter dated 30th June '25 says that he has contracted with Messrs. Iqbal Vasant Co Calcutta, for the supply of 5000 tons of chrome ore 48% 46% rejection at Rs. 30-8-0 per ton for a 48% grade F.O.B. Marmagoa-gliding scale 1 Re. per unit. It is not known if any effect has been given to this contract. Further reports

...pp.F.VI-G1.J

817

B650

SUBJECT

compel

Section Genl

File No. 15-25-1

Diary No. of letter replied to 817

No. 1 C/275

To - The Dir of Genl

General and Revenue Secretariat

( )

the 192

Date of issue 22/8/25

Signed by

Dear Sir

With reference to para 2 of Govt Do no C/267-1 dt 12.8.25 I am desired to request you to forward all contract papers relating to the disposal of Chrome ore extracted by us during 1924-25 in addition to the usual rates of royalty & Govt duty

List of enclosures

Copied by

Examined by

20/8

20/8/25

G/251-3 Encl: 1 file

DEPARTMENT OF MINES AND GEOLOGY
MYSORE STATE.

Confidential

Bangalore, 26-8-1925.

GEN. & REV. SECRETARIAT D 1159 29 AUG 1925 INDUSTRIES & COMMERCE BRANCH.

Geol 15-25-4

Dear Sir,

In reply to your confidential D.O.I.C.1275/Geol.15-25-3, dated 22nd August 1925, asking for all contract papers relating to the disposal of chrome ore by Mr.Schomburg, I have to inform you that from the returns of ore won and exported received from Mr.Schomburg to end of June 1925 it is noted that only 600 tons have been removed from the blocks held by him. It is reported that this quantity was sold to the Tata Iron & Steel Co.,Ltd. but the amount realized from the sale has not yet been intimated to this office, in spite of a number of letters addressed to him in the matter.

2. There is one Mr.Fred.J. Dyas in Mysore who has been carrying on the prospecting operations on the two blocks of Mr.Schomburg and his position in the business has not been definitely known. Mr. Schomburg however has stated that he has employed Mr. Dyas as his contractor, but the transactions that Mr. Dyas has been doing belie this statement.

3. In a letter, dated 30th June 1925, Mr. Dyas intimated to this office that he has entered into a forward contract with a Calcutta Firm for the supply of chrome ore to the extent of 5000 tons for monthly shipments till January 1926. Mr. Dyas was asked to state his relationship with Mr. Schomburg in this business enabling him to enter into such large contracts but he has not yet replied. Nothing further has been known of the contract referred to.

4. The entire file relating to Mr. Schomburg's licenses with the statements

statements of output &c., received so far is forwarded herewith for perusal and kind return when done with.

Yours sincerely,

B. Jagannath

B. Srinivasa Iyengar, Esquire, B.A.,B.L.,
Revenue Secretary to Government,
General & Revenue Secretariat.

1931

Geol 15-25-5

MYSORE GEOLOGICAL DEPARTMENT.

Bangalore 4th September 1925.

GEN. & REV. SECRETARIAT
7 SEP 1925
INDUSTRIES & COMMERCE BRANCH

21302

Dear Sir

In continuation of my letter No.Confidential 251-3, dated 26th August 1925 forwarding the entire file of correspondence relating to the licenses for chrome granted to Mr. C. W. Schomburg, I beg to send you herewith in original his letter of 31st August 1925 and enclosures thereto viz. copy of the agreement entered into with Mr. F. Dyas and letters to the latter from Messrs the Tata Iron & Steel Company relating to the payment for the 600 tons of ore purchased by them. The agreement with Mr. Dyas gives the latter full powers of a proprietor of the mine to provide capital, win ore and market the same. Accordingly Mr. Dyas seems to have entered into a forward contract with a Calcutta firm for the supply of chrome.

1. The agreement entered into with Mr. Dyas does not appear to be in order being against the terms of his licenses which require the previous consent of Government being obtained before entering into such partnerships.

2. All the papers sent to you in this connection may

p.t.o.

may kindly be returned to this office when done with

Yours sincerely,

B. Fazl Ali

To

B. Srinivasa Iyengar Esq. B.A. B.L.
Secretary to the Government of his Highness
the Maharaja of Mysore,
Revenue Department, BANGALORE.

G. K S. G/33]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

M. Seu Esqr
Dir of Geology
(I/c)

Dear Sir

With refce to correspondence ending with my Jayanam's DO No 25 dated 4th Sept 25 regarding the ~~prospecting~~ accounts etc to be furnished by Mr Schomburg in connection with his prospecting licenses for chrome, I am desired to observe that it is unsatisfactory that the Department should have slept over the matter and allowed the licensee Mr Schomburg, to go on with his prospecting work, even when he was violating the terms of his license It is reported that Mr Schomburg has not been furnishing the accounts and

Received & signed by me on 21.9.25

WD 2230—GPB—1,00,000—23-7-20

Returns in time in requirements that he has with which the previous consent of Govt entered into a partnership agreement with Mr Dyas he may be called upon to shew cause why his licenses should not not be cancelled for ~~violation~~ breach of the conditions (No 6 & 14) the prospecting licenses granted him

~~He~~ report of action taken should be sub^{d} to Govt ~~at~~ without delay ~~on early date~~

Yr Sincerely
Le
Tolz

WP
15/9/05

51

C W SCHOMBURG

MINING ENGINEER
DIRECTOR
The Shomlia Salt Co., Ltd.

CODE: A. B. C. 5TH EDITION, BEDFORD MACNIEL
BENTLEY'S AND LEIBER'S.

TELEGRAPHIC ADDRESS SILICIDE
PHONE No. 586.

"THE RETREAT"
KILPAUK.

Madras, ... 19

(Camp) Church Road,
Mysore, Dated 1st October 192

1789

K.R. Srinivasiengar Esq. M.A.,

First Member of Council,

Mysore.

Sir

With reference to my conversation with the Dewan Saheb and your goodself about my chrome concession and incidental matters beg to address you the following with a view to clear up my relation-ship with the Government of H.H the Maharaja.

1 In connexion with my agreement dated 27 2.24 regarding the possibility of discovery of a coal field in the Mysore State and as an inducement to make the experiment at Kamasamudram I was given a prospecting license for Chrome for a period of three years The license was of course under the Mysore Mining Rules.

2. I started my boring operations at Kamasamudram in June 1924 and carried on till June this year Before I had gone down agreed depth and before the sum allotted for the work had been full expended I received orders to stop the operations and I was obliged to break up suddenly.

3. I do not at present propose to discuss the merits of the coal question nor the justice and propriety of the treatment accorded to me by the Government in that connection But I may just mention that owing to my constant residence at the Kamasamudram Camp (I could not entrust the work there to other agencies) I was obliged

to employ a competent Contractor to attend to the chrome ore/business down at Kadakola. I could not for a moment think that the Government ever expected that the chrome concession was to be worked by me in person without outside help. It was at this juncture that I entered into an agreement with Mr. Fred J.Dyas of Ootacamund. Copy of that agreement dated 12.8.24 has been forwarded to the Geological Department.

4. The agreement speaks for itself. There is no attempt made therein either to assign the license or to create any right or interest on the part of the contractor Mr. Dyas. My rights as Licensee are quite intact and I am not in the least relieved of the duties and obligations as under the Mining Rules or my agreement with the Government.

5. Under the aforesaid agreement with Mr. Dyas 1603 tons of chrome ore had been extracted and sold. There is at present another lot of about 400 tons.

6. As per terms of my agreement with the Government and the Mining Rules I am liable to pay to Government a share of the profits realised as well as the usual Royalty.

7. During my absence at Kamasamudram my Contractor Mr. Dyas was set up by certain interested persons and to some extent the affairs were mismanaged. As soon my camp at Kamasamudram was broken up I came down to Mysore and called upon Mr. Dyas to render true and correct accounts of his working. These accounts are yet under preparation and as soon as they are submitted to me the Government share of the profits, royalty etc., will be ascertained and paid.

8. Mr. Dyas's method of work was not in my opinion conducive to the interests of the Government. I therefore entered into a new

new agreement with Mr. Dyas at Ootacamund on 18.9.25; copy of which is submitted for reference. The whole concern has now been put on a satisfactory basis. Mr. Dyas cannot claim and does not in fact claim any right or interst in the license granted to me. Proper arrangements are made for developing the mine and working it with a view to protect the interests of the Government.

9. Now that I have a great sacrifice developed chrome mining in the State and entertain just hopes of extending the busines vastly people are coming forward to prejudice me in the eyes of the Government and with this sinister object are indirectly working against the interests of the Government. A contract was entered into in April by Mr. Dyas of course on my behalf with a Calcutta Firm by name Messrs. Iqbal Vasant & Co., for the supply of 5000 tons of chrome ore at Rs.30-8-0 f.o.b. which meant Rs.18-0-0 f.o.r. The Geological Department then called upon the buyers to personally bring the agreement for sale before the Director and Mr. Fakih who submitted the same was told that Mr. Dyas my contractor could not deliver the chrome ore as they had contemplated to cancel my license. The natural consequence of this step taken by the department behind my back was that the contract for the sale of 5000 tons had to fall through. At the time 1000 tons were ready for delivery which had to be sacrificed at Rs.15/- per ton f.o.r. and a loss of Rs.3-0-0 per ton sustained of which loss the Government themselves share 25%. If the Department had only made a reference to me and called for the agreement from me direct, I would have most willingly placed the matters in clear light and the buyers would not have been scared away to the detriment of myself and the Government. A similar direct dealing with my contractor Mr. Dyas in regard to the

the production of our agreement has led to needless misapprehen-
-sion regarding the position of Mr. Dyas and my relationship with him.

10. Chrome mining like so many other industrial concerns cannot be worked to an advantage unless a fairly large amount of capital is invested and the investors are prepared to wait for a certain number of years to get good returns for their capital. We have to extract ore in huge quantities and export the same by regular shipments to create a market for cur chrome ore either on the continent of Europe or in America. These foreign buyers fight shy of entering into big contracts with us unless we ensure a steady supply and supply in fairly large quantities. What is required for working the mines to attain this ideal is a guarantee by the Government that the lease will last for so many years since the duration of the lease decides the possibility of my investing the capital in the Mysore State.

11. With my limited experience of the mining industry and knowledge of the home market for chrome ore, I venture to assure the Government that Mysore Chrome can capture the world's market if only the mining is carried on with a certain amount of expert knowledge and of business principles. When I came to Mysore for coal I had to abandon my chrome mining scheme in the Salem District, I was thereby put to a heavy loss of nearly Rs.60,000. But I am not parading this fact as a ground for granting me extra-ordinary concessions in chrome mining. The Government will certainly consider this circumstance in allowing my legitimate claims as a License Holder.

12. With a view to enable me to materialise my ideas about

about the future development of the chrome mining industry in the State a Mining Lease under the Mysore Mining Rules for a period of at least 10 years may be granted to me.

13. In regard to the expediency of 25% of the net profits to be paid to Government in addition to the Royalty, I am appending a separate note from which you can at once see that the arrange--ment is quite workable and does not entail any hardship on the licensees.

Yours faithfully,
C. W. Schomberg

Enclosures. 9.

N O T E.

In regard to our conversation in connection with the 25% net profits to be paid in addition to the Rs.1-8-0 Royalty by the Licensee or Lease holder, I beg to confirm my statement viz., that the same is quite workable, and that there can be no objec--tion to the same, as it does not impede the working of any chrome concession except that the licensee or lease holder forfeits a certain amount of his net profits. The amount of 25% entirely depends upon what period the license or lease has been granted to any individual. Take for instance that the 600 tons of ore mined and sold by me to Tatas took five months for mining and exporting. The cost of production in railway trucks amounted to about Rs.6548-0-0; the amount realised being Rs.9433-0-0. This left a profit of about Rs.2885-0-0 The working cost of this 600 tons is not quite correct yet, as I have not yet got the accounts audited, but roughly speaking the Government is entitled to about Rs.721-0-0 or Rs.1-3-3 per ton. This was very slow working on account of only having a prospecting license, and under this license I have no security whatsoever, and therefore I am unable to sink money into the concession or entering into any large contracts. For instance in May 1924 I could have made a contract in London for 10,000 tons delivery over a period of 18 months, but as I had only a prospecting license for 12 months at a time, the buyers in London cried off, but if I had had a lease this contract would have been carried through. It is quite possible with future development a matter of at least 800 tons monthly can be mined and sold. Therefore the cost of production would be less and the profits greater; on the other hand contracts could be made with European ~~and~~ or American buyers direct and better prices obtained. For instance the 10,000 tons contract mentioned above, I was offered for 48% grade Rs.24-0-0 free on rail with a sliding scale of Rs.1-8-0 per unit above 48% and Rs.1-8-0 per unit below 48%. It would have meant for our present grade ore which runs 47% Rs.22-8-0 which would have given a profit of about Rs.12/- on each ton, and would have meant for Government Rs.3/-

per ton, but as stated above already we are unable, under the present circumstances, to make contracts with European buyers, d and we are therefore have to sell our chrome ore in the local marcket, and the Government and ourselves are the losers by this method.

2 You will see therefore that no objection can be taken by anybody to the 25% of the net profits; only in the interest of Government as well as the capitalist I would recommend to Government to give a lease for not less than 10 years to anybody who is willing to work on this 25% basis. I know that some people complain that 25% of the net profits claimed by the Government is rather exhorbitant. But if correct data are maintained for mining a 1000 tons of ore and true results obtained the Government can at once understand that the objection is absolutely unfounded.

L. W. Schomburg
1/10/25

Letter, dated 12th August 1924, from H.J.E. MacCarthy, Esquire Ootacamund, to the Offg: Director Mysore Geological Department

---

I have much pleasure in informing you that I have from this date severed my connections with Mr. C.W. Schomburg as his mining contractor, as it is what a white man should do. Please understand that I am relieved of all responsibility

---

C O P Y.

Sd/- A. M. SEN,

Offg: Director,

Mysore Geological Department

True Copy

No. 237 Encl. 1. Dated, Bangalore 15.8.1924.

From

A. M. Sen Esq., M.Sc., F.G.S, &c.,

Offg: Director, Mysore Geological Department,

To

C. W. Schomburg Esq.,

Camp Kamasamudram.

Sir,

In forwarding herewith for your information, a copy of letter of the 12th instant from Mr. H.J.E. MacCarthy, stating that he has severed his connections with you as mining contractor, I have the honour to request to be informed if this is done with your approval and if you have appointed any one else in his place.

I have the honour to be,

Sir,

Your most obedient servant,

Sd/- A.M. Sen,

Offg: Director,

Mysore Geological Department.

True Copy

Kamasamudram,

Ref: No. 60. Mysore State,

Dated 8th February 1925.

The Assistant Geologist,

Mysore Geological Department,

Bangalore City.

Dear Sir,

I beg to inform you that you will be so good as to address Mr. F.J. Dyas, Church Road, Mysore, who is my contractor of Talur and Woodrapaliyam blocks and who has the accounts etc.

Yours faithfully,

Sd/- C. W. SCHOMBURG.

" True copy"

Camp, Kamasamudram,

22nd June 1925.

The Director of Geology,

Geological Department,

Bangalore.

Sir,

In regard to your enquiry in the case of Mr. Dyas I beg to state as I was employed here doing Government work and was unable to look to the working of the Chrome mines personally I therefore had to employ Mr. Dyas as my contractor and he is therefore styled as the contractor. At the same time I may inform you that the next month I am taking charge of the mines myself personally, and will inform you of my address later on. In regard to the matter of the six hundred tons shipment to Tata's this has my attention and will furnish you with your requirements within a few days, and also other details you require.

Yours faithfully,

Sd/- C.W. Schomburg.

" True Copy"

Ref: No. 25.

Camp, Kamasamudram,
Mysore State,
Dated 16th August 1925.

A.M. Sen Esq., M.Sc. F.G.S. &c.,

Offg: Director, Mysore Geological Department,

Bangalore.

Sir,

With reference to your letter No (273) dated 15.8.24, I have the honour to inform you that Mr. MacCarthy was compelled by me to give up the property which he had for mining chrome, as he did not work to my satisfaction. In the meantime I have appointed Mr. Fred Dyas, who is now my Agent and Contractor. He will work the chrome in a satisfactory manner.

I would ask you to give him even every information which is in your power. He is also to be authorised by me to remove the chrome which is now on my property already mined. He is immediately opening Woodrapaliyam, Gurur and Tallur. Please be good enough to give the necessary or der to allow Mr. Dyas to remove the chrome as we have to fulfil our contract for 10,000 tons from August to January.

I have the honour to be,

Sir,

Your most obedient servant,

Sd/- C.W. Schomburg.

"True Copy "

Travellers' Bungalow,
Mysore, Dated 27th Aug.1925.

Fred. J. Dyas Esq.,

M y s o r e.

Dear Sir,

The Accounts submitted to me on the 4th of June 1925 being the cost of reduction of 600 tons supplied to Tata's Iron and Steel Works are such that it cannot be submitted to the Geological Depart--ment, as they are in the present state submitted to me I find the management charges Rs.2275-0-0 in a lump sum. They require details with vouchers.

Next Item is Travelling allowances, Boarding and Lodging etc. Rs.620-14-6. These require details with vouchers.

Tools. Rs.311-2-0. How do you arrive at the payment of tools when this item is charged by you to the contractors? The contractors are deducted 10% of the bills for tools and this 600 tons was entirely supplied by contractors

Timber. Rs.84-3-0. How do you arrive at Timber charges when the chrome ore consisted of pebbles taken from the surface and no mining attached it?

Sundries.- Rs.140-7-6. This item requires details with vouchers.

Stationery.- Rs.48-13-6. This is a ridiculous charge Was the whole Rs.48-13-6 expended on stationery for the supply of 600 tons? What was the amount of stationery in stock after supplied 600 tons?

Loading and Special charges.- Rs.278-0-0 This too requires details with vouchers attached to it

Will you kindly let me have this within three days, as it is required by the Geological Department In fact it entirely should have been audited long ago. In no way can this account be taken into consideration as supplied to me Will you please look to it urgently and let me have a reply to this? As you are absent and your address not knowing to me, I am sending this through Mr. Hailstone

Yours faithfully,

Sd/- C.W. Schomburg.

" True Copy "

Travellers' Bungalow
Mysore, Dated 31st August 1925.

B. Jayaram Esq.,

Director, Mysore Geological Department,

Bangalore City.

Dear Sir,

As I understand you have called upon Mr. Dyas, my contractor, for the agreement between him and myself, but to my knowledge he has not sent you the same. I therefore enclose herewith a true copy. The original is with the lawyers Messrs. Walker and Graham at Ootacamund. Should you require the same, I will instruct them to forward to you. You will see from the copy of the agreement that I have made a true and correct state-ment to you in regard to the position between Mr. Dyas and myself. As I must say again that as I was carrying on experiment of boring for Government, and I had no time to look to any other work, I therefore was placed under the necessity to put a contractor for mining the ore. At no time has it been my intention to sublet or transfer my license to any one.

(2) In regard to the sale of ore to Tata's the 600 tons have realised Rs.9433-11-3, and I herewith enclose six letters in original from which you can see the correctness of the above. Should you require anything more, please let me know.

Yours faithfully

Sd/- C W SCHOMBURG

Please return the original)
)
letters after your perusal)

" True Copy"

Travellers' Bungalow,
Mysore, Dated 31st Aug.25.

F.J. Dyas Esq.,

C/o. C.P. Hailstone Esq.,

M y s o r e.

I am in receipt of your letter dated 29th August 1925.

Your Para 1. You must understand that I have not asked you for uncalled remarks, such as my nominees, but only asked for Accounts to be supported by vouchers. Every item which appears in Accounts, most especially when Government is a party thereto, requires vouchers-excepting railway tickets for which no vouchers are granted.

Tools.- Rs.311-2-0. This has not been used for 600 tons. This item must find no place in the accounts.

Timber.- Rs.84-2-0. There was no development for 600 tons and therefore must find no place in the accounts. There are no such things to absurd to call for vouchers. In your own private accounts expenses you may dispense with the same, but in accounts of this descriptions where other parties get an interest in it; all expenditures must be supported by vouchers. In regards that you mentioned that these accounts was submitted to me on the 4th of June 1925 is quite correct and till now very often I told you verbally that these accounts in the present form could not be sent to Government as shown in my letter above in the absence of vouchers. In fact it ought to be an account passed by a competent auditor before I can submit to Government. Please let me have the same as early as possible

Re: Your last remark:- There is no need to have a personal discussion on the matter, and if you have anything further to communicate with me, please do so by letter as I find your verbal communication with me I cannot take into consideration.

Yours faithfully,

Sd/- C. W. SCHOMBURG.

App.F.VI-G1.] B650

SUBJECT .....

.....

.....

Diary No. of letter replied to .....

General and Revenue Secretariat

( )

the *192*

Date of issue 22.10.25

Signed by Dr. V. V Chary

List of enclosures .....

Copied by .....

Examined by .....

Section Genl

File No. 15-25-

Serial No. &

No. A-2676 dt 7/25

To C. W. Schomberg, Esq:

Mining Engineer

Church Road

Mysore

Sir

With reference to your letter of 1.10.25 to the address of the First Member of Council in the matter of your agreement with Govt & are ~~and also attending certain matters in connection with the renewal of the licenses~~ directed to State ~~Govt~~ Govt to intimate you that

over

F Geol-15-25-9

C. W. SCHOMBURG

MINING ENGINEER
DIRECTOR:
The Shomtie Salt Co., Ltd.

CODE: A. B. C. 5TH EDITION, BEDFORD MACNIEL
BENTLEY'S AND LEIBER'S.

TELEGRAPHIC ADDRESS: "SILICIDE
TELEPHONE NO 586.

2145

"THE RETREAT"
KILPAUK.

Madras, ... 192..

(Camp) Church Road,

Mysore, Dated 23rd Octr.1925.

B. Srinivasa Iyengar Esq., B.A., B.L.,

Secretary to the Government of His Highness

the Maharaja of Mysore,

Bangalore.

Sir,

I beg to acknowledge your letter No. I.C.2676/Geol.15.25-6 dated 22nd October 1925 communicating the First Member's desire to see me on the 7th November to discuss certain matters.

I am highly thankful to the First Member for arranging for a personal interview. I shall be present at the Public Offices as proposed.

I beg to remain,

Sir,

Your most obedient servant

C. W. Schomburg

Sl. Meeting h
24-10-25

24/10

24/10

24/10

17955

M. G. D. 12]

No. [illegible] Encl: 2

Dated Bangalore, 27th October, 1925.
28

FROM

A.M.Sen, Esq., M.Sc., M.I.M.E., F.G.S.,
Offg. *Director, Mysore Geological Department.*

Encl 15-25-10

B.Srinivasa Iyengar, Esq., B.A., B.L.,
Secretary to the Government of His
Highness the Maharaja of Mysore.

2259

SIR,

Referring to your letter No.1984, dated the 21st. ultimo, I have the honor to forward herewith for the information of Government copies of the later correspondence with Mr.C.W.Schomburg, in the matter of his chrome licenses and his contract with Mr.F.Dyas. The complete file of papers relating to Mr.Schomburg's licenses has not been received back from you and as I have not seen the agreement between Mr.Schomburg and Mr.Dyas, (Mr.Jayaram having sent the papers to the Secretariat in original), I am not in a position to express any opinion on the explanations offered by Mr.Schomburg on his present letter. The file in question may kindly be returned to me at an early date.

I have the honor to be,
Sir,
Your most obedient servant,

A.M.Sen

Offg. Director,
Mysore Geological Department.

M.R.

Copy of the letter dated 23rd.October,1925, received from Mr.C.W.Schomburg, Church Road, Mysore, addressed to the Director Mysore Geological Department.

With reference to your letter No.C.251-7, dated the 13th. instant, I beg to state that in anticipation of the objections taken now I have in my letter to the Honourable the First Member of Council dated 1st October 1925, explained the position clearly. It only remains for me to send the following to show how and why my license is not liable to be cancelled.

1. After the grant of license to me the Government engaged my services for conducting the boring operations at Kamasamudram. This work was not intended to be delegated to other agencies. It was then that I had to employ Mr.Dyas as my contractor and his appointment was duly notified to the Department on 16-8-1924.

2. When I came to know from Mr.Dyas. that the Department had called from him for a copy of my agreement with him I obtained a copy from my Solicitors at Ootacamund and sent it on 31-8-1925.

3. Neither the first agreement of 12-2-1924, nor the recent one of 18-9-25, creates any rights or interest in favour of Mr.Dyas; nor can the agreement be construed as a transfer of any interest under the license. In fact I referred to Section 26 of the Rules for the grant of Prospecting Licenses and was convinced that my agreement with Mr.Dyas did not tantamount to an assignment. If I had the least suspicion that my opinion was wrong, I should have certainly applied for the consent of the Government, in writing as I was explicitly told to do, would not withhold it.

Even now if the Government be of opinion that my agreement with Mr.Dyas is in any way repugnant to the conditions of my license I am prepared to make the necessary modifications in the agreement with the help of my legal advisors.

4. As regards the delay in the submission of accounts, I am far from trying to put the blame on Mr.Dyas as the Department is not concerned with him. I was led to believe that there were noe complaints regarding their periodical submission and accuracy. Mr. Dyas told me that the officer deputed to check the accounts was satisfied. As no objections had been taken to my knowledge I kept quiet. But when

I came to Mysore last July I found out that the accounts kept by Mr Dyas were not satisfactory. I at once took steps to mend matters so that I am now in sole charge of the management of the whole concern.

5. I do not mean to say that there have been no defaults and mistakes in the past. But they were due to the peculiar position in which I had been placed and the confidence I was obliged to repose in Mr. Dyas' method of work. Mr. Dyas is now at OOty and he is no longer in touch with the working of the mines of the precis of accounts.

6. With the help of the Departmental Officers I am prepared to set matters right if specific instances of irregularity &c be brought to my notice.

7. I do not question the authority of Government to cancel a license for breach of conditions. I havenot consciously violated any of the conditions of the license. Even if I have the Government may be pleased to consider the peculiar circumstances causing default or irregularity and give me an opportunity to set matters right.

8. I can assure the Government that it has hever been my intention to violate any of the standing rules framed by the Department. My highest ambition has on the other hand been to work the mines in an ideal manner, to show to the Government how their mineral wealth can be exploited, and at all times to safeguard the interests of the Government before I look to my own interests.

9. Should there be anything requiring my explanation in person, I shall thank you for an interview on the 7th November at which all matters in controversy may be discussed.

Copy.

Offg. Director, Geol. Dept.

Copy of this office letter No.C.251-7 dated the 13th.instan addressed to Mr.C.W.Schomburg.

Referring to the chrome licenses held by you in the Mysore Taluk, and correspondence ending with your letter of 31st.August, 1925, with which was forwarded a copy of the agreement entered into by you with Mr.F.J.Dyas of Mysore, I have the honor to observe that the terms of the licensee have been violated by you in entering into a transaction of the kind with Mr.Dyas, amounting to a transfer of certain rights under the licenses, without obtaining the previous consent of the Government. Further there has been undue delay in submitting the quarterly returns and sale values of ore; and it is also noted that the accounts maintained in respect of the working of the Mines are far from satisfactory. Under these circumstances I have to request you to show cause why your licenses should not be cancelled for breach of the conditions 6 and 14 thereof.

The favour of a very early reply within one week from this date is requested.

"C O P Y"

Offg. Director,
Mysore Geological Department.

M.R.

App. T. VI-GI.]

B650

SUBJECT

Cent

Section Ext

File No. 15-25

Diary No. of letter replied to

DO No. Je. 2812 d 31/10/25

To

General and Revenue Secretariat

( )

the 192

Dear Sir

I am desired to state that Sir Arthur Schuster has arranged to have an interview with the Director of Ind. at his chambers in the Public Offices of Council on Saturday, the 7th inst. 1925 at 12 noon to discuss the question of the agreement ben. with Govt. and to request Govt to be present at the time

Yours faithfully

Date of issue 31.10.25

Signed by Sir V. Venkata

List of enclosures

Copied by VS

Examined by

WD 31/10

2nd To The Director of Geology

over

D. 2361

No. of 25-1-12 18720

MYSORE GEOLOGICAL DEPARTMENT,

Bangalore 2nd November, 1925

Geol 15-25-12

GEN. SECRETARIAT
4-NOV 1925
INDUSTRIES & COMMERCE BRANCH

Dear Sir,

The papers relating to Mr.Schomburg's licenses for chrome has not been received here yet, although you told me personally on Friday last that it would be sent to me soon. As I should like to get acquainted with the correspondence and the nature of the contract Mr.Schomburg has entered into with Mr.Dyas, so as to be posted with full information to be present at Mr.Schomburg's interview with the First Member of Council on the 7th instant, as per your office D.O.No.2919/Geol.15-25-11, dated the 31st ultimo, I shall be much obliged to you if you will kindly see that the file is sent to me at once. I shall of course come with the papers when I shall be present at the interview.

Yours sincerely,

To

B.Srinivasa Iyengar, Esq., B.A., B.L.,
Revenue Secretary to Government.

No. GENERAL AND REVENUE SECRETARIAT,

Dated, Bangalore, 5th November 25

Dear Mr. Sen, Genl 15-25-13

I send herewith the file relating to Mr. Schomburg's lease as desired by you, which was required for reference here till now You may kindly bring it on the 7th instant when you meet the First Member.

Yours sincerely,

To

A. M. Sen, Esq., M.Sc., M.I.M.E., F.G.S.,
Offg. Director, Mysore Geological
Department, Bangalore.

MYSORE GEOLOGICAL DEPARTMENT

Bangalore 5th November 1925

GEN. & REV. SECRETARIAT
-4 NOV 1925
INDUSTRIES & COMMERCE
BRANCH

Dear Mr.Srinivasiengar

The file relating to Mr.Schomburg's licenses for chrome kindly sent by you has been received, but I do not see the later correspondence - Mr.Schomburg's letter of 31st August 1925 and copy of contract with Mr. Dyas - sent with this office D.O.No.251-4, of 4th September 1925 As it is particularly this document that I wish to see and acquaint with before seeing the First Member, I shall be obliged if you will kindly arrange to send me the same by the bearer.

Yours sincerely,

B. Srinivasa Iyengar, Esquire, B.A.,B.L.,
Revenue Secretary to Government.

Received letter D 31-8-25 from Mr Schomberg, Agreement D 12-8-25 with Mr Dyas together with Tata's 5 fine letters.

5.11.25.

C Padmanabha Rao
Clerk
Geological Office
Bangalore

C. W. SCHOMBURG

MINING ENGINEER.
PROPRIETOR:
TALUR, UDUBUR, WADRAPALIAM ETC.,
CHROME MINES.
DIRECTOR:
The Thomtir Salt Co., Ltd.,
CODE: A.B.C. 5TH EDITION,
BEDFORD MACNEIL AND BENTLEY'S.
TELEGRAPHIC ADDRESS-"SILICIDE".

CHURCH ROAD,
Mysore, 9th Novr. 1925
(Camp)

Govt 15-25-14

2484

K.R. Srinivasiengar Esq., M.A.

First Member of Council,

BANGALORE.

Sir,

RE: CHROME LEASE.

I have the honour to herewith confirm my offer made to you on the 7th instant, during my interview with you and Mr. Sen at Bangalore Viz:- I will gurantee between Rs.7500 and Rs.10,000/- beside the usual royalty of Rs 1-8-0 at any year during the time of the lease provided a lease is granted to me for a period for not less than ten years. In view of your promise to grant me the same for ten years provided I guaranteed the above, I would ask you to be kind enough to expedite the matter, as I am in a position then only to close a large contract with London Buyers direct

Hoping to hear from you at an early date

I have the honour to be,

Sir,

Your most obedient servant,

C. W. Schomburg

PROPRIETOR.

This may be submitted with the usual remarks by the Conservator

Copy to.-

A.M. Sen Esq., M.Sc., F.G.S.,

Director, Mysore Geological Department,

Bangalore.

Received 10/11/25

C. W. SCHOMBURG

MINING ENGINEER.
PROPRIETOR:
TALUR, UDUBUR, WADRAPALIAM, ETC.,
CHROME MINES.
DIRECTOR:
The Shomtir Salt Co. Ltd.
CODE: A.B.C. 5TH EDITION,
BEDFORD MACNEIL AND BENTLEY'S.
TELEGRAPHIC ADDRESS-"SILICIDE".

2485

CHURCH ROAD,

Mysore, 9th Novr. 1925

(Camp)

Encl 15-25-15

A.M. Sen Esq., M.Sc., F.G.S., &c.,

Offg: Director Mysore Geological Department,

BANGALORE.

Sir,

In connection with the existing agreements between me and Mr. Dyas, I have the honour to inform you that in view of our conversation before the First Member of Council on the 7th instant I am proceeding to Ootacamund to cancel the agreement, so that hereafter Mr. Dyas will be no longer my Contractor.

ACCOUNTS:- I shall also do my utmost to have the same correctly audited and will submit them to you during the first week of Janua 1926 as agreed upon

I have the honour to be,

Sir,

Your most obedient servant,

C. W. Schomburg

PROPRIETOR

Copy to.-

K.R. Srinivasiengar Esq., M.A.,

First Member of Council,

BANGALORE.

App.F.VI;G1.] B650

SUBJECT

Section Geol

File No. 15-25

Serial No. 16

Diary No. of letter replied to

No.

To The Dir of Geology

General and Revenue Secretariat

( )

the *192*

Sir,

Date of issue

Signed by Sd. 10

With refce to correspondence ending with your letter No C-257-D 28th Oct 1925 regarding the question of cancelling the chrome licence of Mr C. W. Schomburg for violation of the terms of the licence I am directed to refer to the discussion at the interview in the First members Chamber on the 7 Nov 1925 and to state that Mr Schomburg may be called upon to cancel his agreement (which is in the nature of a partnership-deed or sub lease) with M Dyas ~~the fact of him having cancelled the agreement should be reported to Govt before the~~ ascertaining and over

List of enclosures

Copied by

Examined by

B 2611

and in case of refusal proceeding to

10 ~~of~~ Dec. 1925.

Mr Schemeling may also be directed to submit his full and audited a/c? by the 10th Jan'y 1926 as agreed to by him at the interview

I have &c

MVP
19/11/25

RS 20/11

2
22/11

Hand down to Jan 1st
Inc. expenses?
~~Report to Govt~~
Report 15th Dec 25

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

General and Revenue Secretariat,.

Dated, Bangalore, 23/11/ 1925.

No. Dc. 3533 Secl 15-25-16

From

B. SRINIVASA IYENGAR, Esq., B. A., B.L.,
Secretary to the Government of His Highness the Maharaja of Mysore,
Revenue Department.

To

A. M. Sen, Esqr., M.Sc.,M.I.M.E., F.G.S.,
Offg. Director of Geology in Mysore.

Sir,

With reference to correspondence ending with your letter No.C.251-40/ dated 28th October 1925, regarding the question of cancelling the chrome license of Mr. C.W. Schomburg, for violation of the terms of the license, I am directed to refer to the discussion at the interview in the First Member's Chambers on the 7th November 1925, and to state that Mr. Schomburg may be called upon to cancel his agreement (which is in the nature of partnership deed or sub-lease) with Mr.Dyas ~~ascertained and intimate~~ and that the fact of his having may be ascertained and reported done so for the information of Government before 15th December 1925.

2. Mr. Schomburg may also be directed to submit his full and audited accounts by the 10th January 1926, as agreed to by him, at the interview.

I have the honour to be,

Sir

Your most obedient servant,

23/11

Secretary to Government,

Revenue Department.

C. W. SCHOMBURG

Date 192

Church Road,

Mysore.

18th December 5

A.M. Sen Esq., M.Sc., F.G.S. &c.,

Offg: Director, Mysore Geological Department,

Bangalore.

Sir,

I have the honor to enclose a copy of the letter addressed to Mr. F.J. Dyas on the 5th instant. You will see from the same that Mr. Dyas is no longer in possession of the property, and I inform you that business relationship between Mr. Dyas and myself has ceased. Therefore the agreement between Mr. Dyas and myself is now cancelled.

I have the honour to be,

Sir,

Your most obedient servant,

C.W. Schomburg

Encls. 1.

Copy to:-

K.R. Srinivasa Iengar Esq., M.A.,

First Member of Council,

BANGALORE.

"True copy"

F.J. Dyas Esq.,

Oaklands,

Ootacamund.

Dear Sir,

In accordance with our agreements dated 12th August 1924 and 15th September 1925, you had been placed by me in possession of the three areas viz., Woodrapaliam, Gurur and Talur and held the same undisturbed. Though on several occasions I had notified you that you did not work the mines in these areas to satisfaction and in accordance with the license granted to me by the Government. In the month of July 1925, when I came to Mysore, I found the mines at a complete stand-still, and I understand that some time before July 1925 no work had been done. On the 22nd of September 1925 an effort was made to work the mines again, but the same are at a stand-still now and no work done whatsoever, and I now find you have entirely abandoned the three areas viz. Woodrapaliyam, Gurur and Talur. You have no supervisor or anybody in charge neither any workmen on your behalf on the proper ies

2. I find on my last visit to Ootacamund that hitherto the money with which you worked the mines was supplied to you by Mr. S.A Walker of Ootacamund This gentleman has now totally refused to supply with any more money, and I can only see that for this reason the works have come to a complete stand-still; I therefore presume that under the above circumstances you have abandoned the mines and given up working thereon which is not in accordance with our agree-ments

3. Now take notice that as you have entirely abandoned the said three areas I have therefore been compelled to take charge of the same from this date on my own behalf.

Yours faithfully,

Sd/- C.W. SCHOMBURG

Copy forwarded to:-

S.A. Walker Esq.,

Solicitor,

Ootacamund.

25397 No. C/25-1-18 Encl. 2

Dated, Bangalore, 22-12-25

From

A. M. SEN, Esq., M.Sc., F.G.S, Etc.,
Offg. Director, Mysore Geological Department

D32·84

To

Encl 15 25 16

B. Srinivasa Iyengar, Esq., B.A., B.L.,
Revenue Secretary to the Government of
His Highness the Maharaja of Mysore

Sir,

Referring to para 1 of your letter No.I.C.3533/Geol. 15-25-16, dated the 23rd ultimo, I have the honor to forward herewith a copy of Mr.Schomburg's letter, dated 18th December 1925, reporting the cancellation of the Agreement between Mr.F.J.Dyas and himself in connection with the working of the chrome blocks. A copy of the enclosure to Mr.Schomburg's letter is also forwarded herewith for the information of Government.

I have the honor to be,

Sir,

Your most obedient servant,

A. M. Sen

Offg. Director,
Mysore Geological Department.

M.R/21.

C.W. SCHOMBURG ESQ.

Church Road

Mysore.

...th December, 1925.

A.M. Sen, Esq. M.Sc. F.G.S. &c.

Offg. Director, Mysore Geological Department.

Sir,

I have the honor to enclose a copy of the letter addressed to Mr. F.J. Dyas, on the 5th instant. You will see from the same that Mr.Dyas is no longer in possession of the property, and I inform you that business relationship between Mr.Dyas and myself has ceased. Therefore the agreement between Mr.Dyas and myself is now cancelled.

I have the honor to be

Sir,

Your most obedient servant,

Sd/- C.W. Schomburg

Enclo. 1

COPY

Offg. Director,
Mysore Geological Department.

M.R/21.

Mr.C.W. SCHOMBURG 5th December, 1925.

"True Copy"

F.J.Dyas,Esq.
Oaklands,
Ootacamund.

Dear Sir,

In accordance with our agreements dated 12th August 1924 and 18th September 1925 you had been placed by me in possession of the three areas viz. Woodrapaliyam, Gurur and Talur and held the samr undisturbed Though on several occasions I had notified you that you did not work the mines in these areas to satisfaction and in accordance with the license granted to me by the Government. In the month of July 1925, when I came to Mysore, I found the mines at a complete stand-still, and I understand that some time before July 1925 no work had been done. On the 22nd of September 1925 an effort was made to work the mines again, but the same are at a stand-still now and no work done whatsoever, and I now find you have entirely abandoned the three areas viz. Woodrapaliyam, Gurur and Talur. You have no supervisor or anybody in charge neither any workmen on your behalf on the properties.

2. I find on my last visit to Ootacamund that hitherto the money with which you worked the mines was supplied to you by Mr.S.A. Walker of Ootacamund. This gentleman has now totally refused to supply with any more money, and I can only see that for this reason the works have come to a complete stand-still; I therefore presume that under the above circumstances you have abandoned the mines and given up working thereon which is not in accordance with our agreements.

3. Now take notice that as you have entirely abandoned the said three areas, I have therefore been compelled to take charge of the same from this date on my own behalf.

Yours faithfully

Sd/- C.W.Schomburg

Copy forwarded to:-
S.A. Walker,Esq.,
Solicitor,
Ootacamund

COPY'

Offg. Director,
Mysore Geological Department.

M.R/21.

[APP. F. VI. Gl.]

SUBJECT.....

.....

.....

Diary No. of letter replied to... 3284

General and Revenue Secretariat

( )

the 192

Date of issue... 30/12/25

Signed by... Mr V. V. Chari

List of enclosures.....

Copied by.....

Examined by.....

Section Estt

File No. 15-25

Seria No. 19

No. 4326

To The Dir. of Estt

Sir

With reference to your letter No. C/257-18 of 22/12/25 I am directed to invite your attention to para 2 of this office letter No. 9.C.3533/Estt.15-25-6 of 23-11-25 and to state that the submission of accounts & the relevant rule referred to therein is awaited.

I have etc

for Secy to Govt Revenue

over

32066

Geol. 15-25-26

No. C/251-26 Geol

Dated, Bangalore, 26 Jan. 1926

From

A. M. SEN, Esq., M.Sc., F.G.S, Etc.,
Offg. Director, Mysore Geological Department.

8383

GENL. & I. SECTT. 27 JAN. 1926 G. D. SECTION.

To

B. Srinivasa Iyengar, Esq., B.A., B.L.,
Secretary to Government of
His Highness the Maharaja of Mysore,
Revenue Department.

Sir,

Forwarded by Engl

With reference to para 2 of your letter No:I.C.3533 Geol.15-25-26, dated 23-11-25, and reminder thereto of 30th December, I have the honour to state that Mr. Schomburg, as agreed to by him, submitted to me a statement of his accounts relating to the working of the chrome blocks on 13-1-26 accompanied by a copy of his letter to the First Member. As certain discrepancies were noted in the stock accounts Mr. BLN.Venkataramaiya, B.A., Assistant Geologist, was deputed to proceed to Mysore and discuss the matter with Mr. Schomburg personally. As the result of this scrutiny Mr. Schomburg has since submitted a revised statement of accounts and a copy of the same is herewith submitted for the information of Government with the following observations

2. When the accounts relating to the working of the blocks were examined in February last certain matters, such as the relationship between the licensee and his contractor who was mining and selling the ore and maintaining accounts, were noted and they could not be understood. The receipts were mere book figures without any realization and it was considered inopportune and also impossible to scrutinize the accounts and arrive at any definite conclusions.

3. After the lapse of some months the licensee has explained the situation, made matters clear and has submitted the accounts. Until recently he had no accounts of his own except those maintained by his contractor who had been entrusted with the sole charge of the operations. This was necessary since Mr. Schomburg was at the time engaged on other work at Kamasamudram. He has since, in his own interest and in that of the Government, had the accounts of his contractor throughly scrutinized and audited, expunged all objectionable items and admitted the rest. These have been further scrutinized from a reference to stock accounts and revised figures obtained.

4. In the revised statement of accounts also the item of expenditure under establishment charges appears to be rather heavy. But it has to be remembered that in the initial stages when nothing could be definitely fixed up it seems but natural and incidental too that some heavy establishment charges do occur in all such undertakings, and a fair margin being allowed for such they have to be admitted. As work progresses however and experience is gained, such charges are likely to be lowered and the licensee has agreed to try his utmost to economize and reduce all charges to the lowest possible minimum.

5. It will be seen in ement of accounts that even interest on capital invested; a legitimate charge, has not been included. The revise obtained as the result of the scrutiny by this Departmen onsidered very reasonable. There appears to be no scope for further scrutiny by the Department. Under the circumstances I beg to suggest that these accounts may be admitted by the Government as final.

6. The accounts relate to a total quantity of 1846.5 tons of ore mined and exported up to date. The total realizations aggregate Rs.28,131-3-3 and the total expenditure Rs.19,765-7-9 which includes the royalty payable to the Government. The net profits on the working of the two blocks upto about the middle of October 1925 amounts to Rs.8365-11-6, as admitted by Mr.Schomburg.

7. The amounts that will now be due to Government are

1. Royalty on 1846.5 tons of chrome ore, at Rs.1-8-0 per ton	Rs.2769-12-0
Less amount paid on this account ...	Rs. 900- 0-0
Balance due	Rs.1869-12-0
2. 25% of the net profits (¼ of 8365-11-6)	2091- 6-10
Total due ...	Rs.3961- 2-10

Mr.Schomburg is being requested to pay up this sum at an early date.

I have the honour to be,
S i r,.
Your most obedient servant

A.N.Sen

Offg. Director,
Mysore Geological Department.

B.N.L/25.

Copy of the letter from Mr.C.W.Schomburg, Mining Engineer, Church Road Mysore, to the Offg.Director, Geological Department.

In continuation of my letter dated 13th January 1926 and with reference to your letter No:C.251/22 dated 18th instant, Mr.B.N.Venketaramiya, Assistant Geologist, came here today and together we have been able to rectify the discrepancy in the stock which you will see from the Returns I have now submitted to you. I am very sorry for the delay, but now I hope that Government will be pleased to accept the enclosed accounts. As I have entirely closed and finished with Mr.Dyas and his accounts I can assure you that in the future you will have no cause for complaint

In the future together with my Quarterly Returns I will submit to you an audited report of accounts, as you will see from the enclosed copy of a letter that I have arranged to have my accounts audited every quarter.

Once more I must express my regret on the past occurrences.

"True copy"

for Offg.Director,
B.N.L/26. Mysore Geological Department.

Statement of expenses incurred in the working of the chrome blocks.-

---o---

Working costs.

Amount paid to Mr.MacCarthy for ore supplied and commission.	Rs.	3950- 0-0
Timber account.	"	372- 4-0
Woodars account.	"	415- 4-0
Salaries account.	"	4693- 3-4
Stationery account.	"	113-12-0
Postage.	"	124- 0-6
Special loading.	"	278- 0-0
Developments.	"	857-12-6
Madappa.	"	1060- 0-0
Sreepaliah.	"	4816-15-5
Michael	"	173- 0-0
Analysis.	"	141- 8-0
Total Rupees		16995-11-9
Royalty ...		2769-12-0
		19765- 7-9

Total rupees 19765-7-9 for winning 1846½ tons or Rs.10-11-3 per ton.

Realizations:-

The sale proceeds on 600 tons supplied to Tata's.	Rs.	9433-11-3
The sale proceeds on 1003 tons supplied to Messrs.Oakley Bowden & Co, Madras.	"	15045- 0-0
---do--- 243½ tons ---do---	"	3652- 8-0
T o t a l	"	28131- 3-3
Deduct from above the working costs	"	19765- 7-9
Balance net profits	Rs.	8365-11-6

Copy
for Off Director,
Geological Dept
26-1-26

05279

Geol 15-25 24

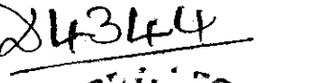
No. C/251-31 Enc.1

Dated, Bangalore, 15-2-26

243144

From

A. M. SEN, Esq., M.Sc., F.G.S, Etc.,
Offg. Director, Mysore Geological Department.



B. Srinivasa Iyengar, Esquire, B.A., B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore,
Revenue Department.

Sir,

With reference to your letter No.I.C.5502/Geol.15-25-23, dated 6th February 1926, requesting to report by the 15th February the result of the action taken for the recovery of Rs.3961-2-10 due to Government from Mr.C.W.Schomburg, I have the honour to forward herewith for the information of Government a copy of his letter, dated 13th February 1926, from which it will be seen that an immediate payment of Rs.2540/- towards the above dues has been arranged. Intimation of the payment by Messrs.Oakley Bowden & Co. of the sum into the Treasury is awaited. Mr.Schomburg states that the balance will be paid about the end of the current month after effecting the sale of 120 tons of the ore reserved for the purpose.

I have the honour to be,
Sir,
Your most obedient servant,

A.M.Sen

Offg.Director,
Mysore Geological Department.

*The amount is noted & have been paid into the Huzur Try on 13th Feby from Duplicate receipt received today - 19th

A.M.S

C.N.

3961-2-10
2540
1421-2-10

Letter, dated 13th February 1926, from Mr.C.W.Schomburg, Church Road, Mysore, to the Director, Mysore Geologica Department.

I am in receipt of your letter No.C/251-29, dated the 8th instant. I herewith enclose the following:-

(1) Copy of a letter from the Mysore Chromite Ltd. dated the 8th instant

(2) Copy of a Indemnity letter to them.

(3) A letter from me to the Mysore Chromite Ltd.

from which you will see Rs.2340/-/ is to be paid immediately to Mysore Government and the balance due to Government by me will be paid before the end of the month for which I have reserved 120 tons of ore ready now to be sent away and the proceeds thereon to be paid to the Government for their dues.

I hope this will meet with your approval.

Thanking you,

Copy.

Offg. Director,
Mysore Geological Department.

C.N.

APP. F. VI. Gl.]

SUBJECT..... Chrome Blocks Ltd Cy W. Schomburgh.

..... Reminder

Section Sec't.

File No. 15-25

Serial No. R

No. Jc 6428 8/7/26

Diary No. of letter replied to .....

General and Revenue Secretariat

( )

the 192

To

..... Branch Secretary .....

Date of issue..... 8/7/26

Signed by..... for Secretary

Sir

With refce to the correspondence ending with our letter no C. 251-31 of 29/4/26 reporting that C.W. Schomburgh has made a part payment towards his dues to Govt & that he has promised to pay up the balce by the end of Feb last, I am directed to enquire if the payment has accordingly been made & if not, what action has been taken to recover the balance.

List of enclosures.....

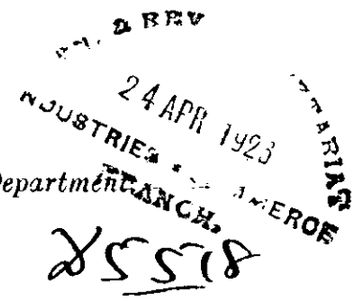
Copied by.....

Examined by .....

over 8/7/26 for Secy

No. C/251-35 24(9)
Geol 15-25-26

Dated, Bangalore, 23-4-26



From

A. M. SEN, Esq., M.Sc., F.G.S, Etc.,
Offg. Director, Mysore Geological Department.

To

B. Srinivasa Iyengar, Esquire, B.A., B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore
Revenue Department.

Sir,

With reference to your letter No.R.C.6428 Geol.15-25-2, dated 19th March 1926, regarding the payment of royalty and profits due by Mr.C.W. Schomburg, I have the honour to state that the total sum demanded from Mr.Schomburg is Rs.3961-2-10 and that he has paid the same short by one rupee as hereunder:-

Rs.	2340-0-0	on 19-2-1926.
"	400-0-0	on 22-3-1926.
"	1220-2-10	on 9-4-1926.
Rs.	3960-2-10	

A demand for the balance of rupee one is being sent to Mr.Schomburg.

I have the honour to be,
Sir,
Your most obedient servant,

Offg. Director,
Mysore Geological Department.

C.N.